

LEGAL NOTICE

and

Preliminary Determination for an Air Quality Permit for

Intercontinental Potash Corp (USA), 1030 Johnson Road, Suite 300, Golden, CO has submitted a Prevention of Significant Deterioration (PSD) air quality permit application to the Air Quality Bureau (AQB), New Mexico Environment Department (NMED) for an air quality permit to construct the Ochoa Mine Project. The application file has been assigned Permit No. PSD-5384 and TEMPO Agency Interest ID No. 33152.

There are 4 operations for the project and all are located in Lea County, New Mexico. The locations of the 4 operations are as follows. The location of the Ochoa Processing Plant will be at latitude 32 deg, 11 min, 59.1 sec and longitude -103 deg, 31 min, 59.2 sec and will be 20.7 miles West-Northwest from the intersection of highways 128 and 18 in Jal, NM. The underground Ochoa Mine is located across from the Ochoa Process Plant, north of Highway 128. The Jal Loadout facility will be at latitude 32 deg, 11 in, 14.1 sec and longitude -103 deg, 12 min, 47.2 sec and will be 4.7 miles North-Northwest from the intersection of Highways 128 and 18 in Jal, NM. The Groundwater Well Field also called the Groundwater Pre-Treatment Plant will be at latitude 32 deg, 12 min, 43.8 sec and longitude -103 deg, 19 min, 47.1 sec and is 10.4 miles, Northwest from the intersection of highways 128 and 18 in Jal, NM.

The proposed construction will consist of the following activities. Raw polyhalite will be mined from approximately 1,500 feet underground then transported to the Ochoa Processing Plant at the surface where it will be crushed, ground, washed, calcined, leached, crystallized, and granulated to produce products of sulphate of potash and langbeinite. These products will be trucked to the Jal Loadout facility and either stored or loaded on trains for shipping. At the Groundwater well field/Groundwater Pre-Treatment plant, water will be treated to remove H₂S and piped to the Ochoa Processing plant. Waste material from ore processing will be stored in a tailings area at the Ochoa Processing Plant.

Total air pollutant emissions to the atmosphere are estimated to be approximately Nitrogen Oxides (NO_x) at 165 tons per year (tpy); Carbon Monoxide (CO) at 175 tpy; Volatile Organic Compounds (VOC) at 26 tpy; Sulfur Dioxide (SO₂) at 3.5 tpy; Total Suspended Particulate Matter (TSP) at 346 tpy, Particulate Matter 10 microns or less (PM₁₀) at 196 tpy, and Particulate Matter 2.5 microns or less (PM_{2.5}) at 138 tpy, and greenhouse gas (CO₂e) at 522,040 tpy; and less than 2 tpy of any federal Hazardous Air Pollutant of New Mexico Toxic Air Pollutant. The facility is a major, ≥100,000 tpy CO₂e source of greenhouse gas emissions. These emission estimates could change slightly during the course of the Department's review of the application.

The NMED has conducted a preliminary review of the information submitted with the permit application. The preliminary review and applicant's analysis of ambient air quality impacts indicates that the facility's air emissions will meet the ambient air quality standards for NO_x, CO, Ozone, SO_x, TSP, PM₁₀, PM_{2.5}, and H₂S. A full review will evaluate the estimated emission rates for the pollutants listed above and the air quality analysis to determine compliance with the associated ambient air standards and requirements.

Based on the applicant's analysis, a preliminary determination is that this facility will comply with the requirements of Title 20, New Mexico Administrative Code (NMAC), Chapter 2, Parts 3, 19, 61, 72, 73, 74, and; 40 CFR 50; 40 CFR 60 Subparts A, Db, and IIII; 40 CFR 63 Subparts A and ZZZZ; and the New Mexico Air Quality Control Act. Therefore, the preliminary intent of NMED is to issue the air quality permit on or before June 10, 2014. This source is a major source according to 20.2.74 NMAC, PSD. The source is expected to consume these PSD Class I increments: PM_{2.5} 24-hr 3.4%, PM_{2.5} annual 0.4%, PM₁₀ 24-hr 1.3%, and PM₁₀ annual 0.2%. The source expected to consume these PSD Class II increments: PM_{2.5} 24-hr 98.9%, PM_{2.5} annual 75%, PM₁₀ 24-hr 98.3%, PM₁₀ annual 44.7%.

To ensure compliance with state and federal air regulations, the permit is expected to include conditions that limit the emissions and production rate, and conditions that will require record keeping and reporting to the Department.

The permit application is available for review in electronic or hard copy at the Air Quality Bureau Office, 525 Camino de los Marquez Suite 1, Santa Fe, NM 87505-1816. To arrange viewing of this application contact Teri Waldron, at 505-476-4355 or teri.waldron@state.nm.us. The permit application is also available for public review at the NMED Hobbs Field Office, located at 726 E. Michigan, Suite 160, Hobbs, NM 88240.

All interested persons have thirty (30) days from the date this notice is published, to notify the Department in writing of their interest in the permit application. The written comments should refer to the company name, site name and Permit No. (or send a copy of this notice along with your comments). The written comments shall state the nature of the issues raised and how it relates to the requirements of applicable state and federal air quality regulations and the Clean Air Act. The written comments should be mailed to Cember Hardison, New Mexico Environment Dept., Air Quality Bureau, Permit Section, 525 Camino de los Marquez Suite 1, Santa Fe, NM 87505-1816. If the Department Secretary determines that a public hearing is required due to significant public interest, all person shall have the opportunity to comment at the hearing.

The Department will notify all persons, who have provided written comments, as to when and where the Department's analysis may be reviewed. Although all written comments will be made part of the public record, any person who does not express interest in writing prior to the end of this first thirty (30) day period will not receive such notification.

If the Department receives written public comment prior to the end of the Department's thirty (30) day public notice, the Department's analysis will be made available for review for thirty (30) days at the NMED district or field office nearest to the source before the permit will be issued. Written comments on the analysis or permit application may be submitted to the Department during this second thirty (30) day period or at any time before the permit is issued or denied.

Questions or comments not intended to be part of the public record can be directed to Cember Hardison at 505-476-4346. General information about air quality and the permitting process can be found at the Air Quality Bureau's web site. The regulation dealing with public participation in the permit review process is 20.2.72.206 NMAC. This regulation can be found in the "Permits" section of this web site.